

Annex C

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PART I: OVERVIEW AND FACTORS AFFECTING PROGRAM PERFORMANCE

Somalia has been without a central government since dictator Mohamed Siad Barre fled Mogadishu in 1991. Subsequent fighting among rival faction leaders resulted in the killing, dislocation and starvation of thousands of Somalis.

Eight years later, Somalia now ranks at the absolute bottom of UNDP's Human Development Index: the average life expectancy is between 41 and 43 years of age; the adult literacy rate is barely 15%; and over 25% of children will never reach five years of age. Unfortunately, there was no miraculous turnaround in 1998; El Nino floods, a Saudi livestock ban, rat and insect infestations, pitched battles in Bay and Bakool regions, and later in the year, drought conditions, have all ensured Somalia's undisputed status as the most luckless country on earth.

Against this backdrop, it is all too easy to dismiss Somalia as hopeless, undeserving of anything more than basic humanitarian aid. In reality, though, while Somalia is certainly the epitome of a complex emergency, refusing to recognize the positive development results being achieved would be a disservice to REDSO/Somalia's and the international community's efforts to mitigate and improve the situation in a number of areas.

USAID has played a large role in preventing Somalia conditions from worsening -- there is no widespread starvation, no large outflow of refugees as we saw only a few years ago -- and we are indeed helping to strengthen certain sectors in targeted areas. In addition to the traditional "humanitarian" response being undertaken in Somalia, such as free food distributions, and emergency health and water interventions, USAID has also, through our implementing partners, helped rehabilitate numerous irrigation canals, river dikes, and farm-to-market roads. As a result, farmers have tended to stay on their land, planting more, and in time should realize larger and better quality harvests.

In the absence of a central government and in order to help Somalis rebuild the country from the bottom up, USAID has helped build the capacity of local authorities and civil society through technical support to regional/district administrations and indigenous NGOs. The formation in 1998 of Puntland state, an autonomous tri-regional authority in the Northeast, as well as its northwestern neighbor, Somaliland, augurs well for the future of those regions and the potential for development programs there.

The continuing Saudi Arabian ban on livestock from the Horn, due to the suspected presence of Rift Valley Fever during the floods, has severely affected Somalia's economy. Livestock exports from Somaliland are the largest foreign exchange earner in the country. While Somaliland is reeling from the ban, it is at the same time being challenged to diversify its economy -- a potentially positive step to take.

One of the major contributions that USAID has made to international efforts in Somalia is the establishment and leadership of a unique voluntary donor coalition known as the Somalia Aid Coordination Body (SACB). The SACB is comprised of over 150

organizations, including donors, UN agencies, and international NGOs. The SACB has established sectoral committees to address specific issues, such as health and food security, in order to ensure efficient, low-cost programs for meeting the basic human needs of Somalis in the absence of central civil governance.

In July 1998, USAID/Somalia was incorporated into REDSO/ESA. The Somalia office, however, continues to function as a discrete unit, with its own Integrated Strategic Plan (ISP) and strategic objectives separate from REDSO. In this sense, it functions much as a “Mission-in-waiting”; should the decision be made to reinstate a higher level of USG presence, REDSO/Somalia would be able to step in immediately.

USG assistance to Somalia seeks to ensure that continuing instability in parts of Somalia does not spread to other countries in the Horn. The paramount goal of U.S. policy in Somalia is to encourage the return of Somalia to the international community as a legitimate and reliable member. Supporting successful models of local administration and governance – in Somaliland and Puntland, for example – is one obvious way to accomplish this goal.

PART II: RESULTS REVIEW BY STRATEGIC OBJECTIVE

Strategic Objective #1 (SO #1): Improved Foundation For Agricultural Production In Target Areas

Summary:

The purpose of this SO is to improve the foundation for agricultural production in southern and central Somalia to a point where farmers remain on their land, those previously displaced return, and planting is substantially increased. This objective contributes directly to, and is necessary to achieve, a subgoal of “Increased Food Crop Production in Target Areas”. REDSO/Somalia and its partners believe that an actual increase in production is too ambitious to be achieved given the current timeframe, limited donor resources, and the continually changing weather and security conditions in Somalia.

The main assumption underlying SO #1 is that an improved foundation for agricultural production will in time contribute to increased food crop production and ultimately to improved household food security.

Principal beneficiaries and ultimate customers are the farmers of southern and central Somalia who are some of the most vulnerable and least food-secure populations in the country. They are at the mercy of unpredictable weather patterns and civil insecurity. Their clans generally offer them little or no protection. A large proportion of those displaced within the country, as well as refugees in Kenya, are farmers from southern Somalia.

Key Results:

Principal results necessary to achieve the SO are: increased availability of agricultural inputs and services such as seeds and tools; extension training; improved agricultural infrastructure such as irrigation canals and river embankments; and increased agricultural investment by the farmers themselves.

Performance and Prospects:

The SO #1 achievements have exceeded performance expectations. All SO and Intermediate Results indicators were met or exceeded, despite the adverse weather conditions prevailing in the farming areas of southern Somalia at the beginning of 1998. The effects of the El Nino-related flooding were still being felt in many areas where flooding had caused great damage to the crops in the fields, as well as the food in storage. Though recovery has been relatively quick, a widespread rat infestation destroyed many of the seeds planted after the floods receded.

The SO indicator target is *15,000 hectares planted with food crops in target areas*. In spite of the chaotic conditions in early 1998, this target was exceeded. Improved agricultural infrastructure, farmer training, and availability of seeds has helped farmers expand their planted area in selected locations to 76,092 hectares, compared to the 15,000

hectares planned (Table 1). Much of this is due to the impressive work of CARE through its Rural Food Security Project (RFSP) which was a pilot project in 1998. The achievement in improved infrastructure as detailed in IR 1.2 and the synergies between CARE's two USAID programs have dramatically increased the capacity of the NGOs and their ability to implement activities.

Intermediate Result 1.1: Increased Availability of Agricultural Inputs and Services for Farmers in Target Areas. The objective of Intermediate Result (IR) 1.1 is to increase farmers' utilization of improved agricultural techniques, such as more environmentally-sound pest management and better cropping practices. Over 4,000 selected farmers were trained as agricultural extension workers (Table 2), and they, in turn, trained numerous others in their communities. At the SO level, many more farm families are now actually practicing these new techniques. In addition, seeds and tools were provided to 15,686 families whose supplies were washed away by the devastating El Nino floods at the beginning of the year.

Intermediate Result 1.2: Improved Agricultural Infrastructure in Target Areas. This IR captures the Food for Work (FFW) activities which rehabilitate canals, river embankments, farm-to-market feeder roads and other infrastructure, needed by farmers for increased production and marketing. These results are achieved mainly using PL 480 Title II food commodities.

USAID more than doubled the kilometers of canal rehabilitation over what had been originally planned for the year (Table 3). This accomplishment resulted in a dramatic increase in the hectares under irrigation (3,919 hectares in 1997 to 53,516 hectares in 1998) and is expected to bring about positive changes in food security for thousands of households in the target areas. These accomplishments will help keep farmers on their land, thereby reducing the number of displaced people in Somalia.

Intermediate Result 1.3: Increased Investment by Farmers in Agriculture in Target Areas. The indicator for this IR is "number of agricultural loans taken by farm families in target areas". The crippling floods, which wiped out many farmers' savings, resulted in 6,358 cumulative agricultural loans disbursed against 2,920-planned (Table 4). Even more important, the repayment rate has been 97%. Community contributions to projects are also worth noting: an estimated 5% of the value of each project is donated by the community in the form of cash, labor, warehouse space, and other assets.

Possible Adjustment to Plans:

BHR/FFP continues to support CARE's Rural Food Security Project, and the project will be expanding in 1999. CARE will be working with more NGOs, including World Vision (the largest food for work implementer in Somalia) and ADRA; and expand their geographic coverage in southern and central Somalia. Results under SO 1 are expected to increase in 1999, subject to the availability of DA funds for the CARE Umbrella Grant, which contributes substantially to results under IRs 1.1 and 1.3.

Other Donor Programs:

While USAID is the major donor in this sector, WFP continues to be active in southern Somalia with a number of FFW projects to rehabilitate infrastructure. The EU has funded some international NGOs as well. In the absence of a central government in Somalia, all activities are coordinated under the umbrella of the Somalia Aid Coordination Body (SACB) and, in particular, its Food Security Sectoral Committee, chaired by USAID.

Major Contractors and Grantees:

The SO's primary partner is CARE, through both its Rural Food Security Project and Umbrella Grant. The SO also includes grants with World Vision and other international and local NGOs.

Strategic Objective #1 (SO #1)
Improved Foundation for Agricultural Production in Target Areas

Tables

TABLE 1

STRATEGIC OBJECTIVE 1: Improved Foundation for Food Crop Production in Target Areas APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME: Improved Foundation for Food Crop Production in Target Areas			
INDICATOR 1: Hectares planted with food crops in target areas during the annual main growing season (<i>gu</i>)			
UNIT OF MEASURE: Number SOURCE: CARE and World Vision will collect, analyze, and aggregate data on project assisted target areas from their implementing partners. -- Food Security Assessment Unit (FSAU) will collect comparable data at the district level for all of the agricultural regions, for comparison with data for the project assisted areas within those regions. INDICATOR DESCRIPTION: Food crops include cereals (sorghum and maize). Target areas are defined as the project sites where USAID-funded activities are taking place. These sites are located mainly within the main 9 agricultural regions of Somalia. COMMENTS: Target was far surpassed due to CARE's and World Vision's activities in 1998. Improved agricultural infrastructure, farmer training, and availability of seeds has helped farmers progressively expand their hectarage.	YEAR	PLANNED	ACTUAL
	96(B)		12,600
	97	13,500	58,822
	98	15,000	76,092
	99	17,000	

Table 2 Strategic Objective # 1 (SO # 1)
Intermediate Result 1.1

OBJECTIVE: SO #1: Improved Foundation for Food Crop Production in Target Areas APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME: Intermediate Result 1.1: Increased Availability of Agricultural Inputs and Services for Farmers in Target Areas.			
INDICATOR 3: Number of contact farmers trained in target areas			
UNIT OF MEASURE: Number <hr/> SOURCE: Implementing partners of USAID <hr/> INDICATOR DESCRIPTION: Target areas are defined as the project sites where USAID funded activities are taking place. These sites are located mainly within the main 9 agricultural regions of Somalia. This is an annual figure. <hr/> COMMENTS: CARE was able to reach a larger number of farmers than planned, through 7 local NGOs implementing agricultural extension activities. World Vision also met its targets. Farmer training field-days have helped to explain and reinforce any relatively new extension concepts. In addition, the program is currently compiling a farmer training manual for future use. Note that this indicator is a proxy measure of the availability of services.	YEAR	PLANNED	ACTUAL
	96(B)		3,843
	97	3,744	3,830
	98	3,500	4,087
	99	3,500	

TABLE 3: Strategic Objective # 1 (SO #1)
Intermediate Result 1.2

OBJECTIVE: SO #1: Improved Foundation for Food Crop Production in Target Areas APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME Intermediate Result 1.2: Improved Agricultural Infrastructure in Target Areas:			
INDICATOR 2: Length of irrigation canals constructed or rehabilitated in target areas			
UNIT OF MEASURE: Number of Kilometers <hr/> SOURCE: Implementing partners of USAID <hr/> INDICATOR DESCRIPTION: Both primary and secondary canals are included. Target areas are defined as the project sites where USAID-funded activities are taking place. These sites are located mainly within the main 9 agricultural regions of Somalia. This is a cumulative number. <hr/> COMMENTS: CARE's Rural Food Security Project (RFSP) began activities in May 1998. The exceeding of the planned target was due to an additional nine local NGOs in the RFSP undertaking canal rehabilitation whose activities had not been considered when setting the target for 1998.	YEAR	PLANNED	ACTUAL
	96(B)		132
	97	257	200
	98	377	780
	99	497	

**TABLE 4 Strategic Objective #1
Intermediate Result 1.3**

OBJECTIVE: SO #1: Improved Foundation for Food Crop Production in Target Areas APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME Intermediate Result 1.3: Increased investments by farmers in agriculture in target areas			
INDICATOR 2: Number of Agricultural Loans Taken by Farm Families in Target Areas			
UNIT OF MEASURE: Number <hr/> SOURCE: Implementing partners of USAID <hr/> INDICATOR DESCRIPTION: This indicator tracks the number of agricultural loans disbursed in USAID-funded project sites. Loans included are those specifically taken for agricultural activities. These sites are located mainly within the main 9 agricultural regions of Somalia. <hr/> This is a cumulative number. <hr/> COMMENTS: Note that this indicator is a proxy measure of actual investment by farm families in agriculture. However, since the loans are specifically taken for agricultural activities, it is a very close proxy. The El Nino floods of late 1997/early 1998 literally washed away thousands of farmers' assets. The target was exceeded in 1998 in recognition that significantly more customers would be in need of such credit. It should be noted that, despite the dire circumstances, the average repayment rate for these loans was an impressive 97%.	YEAR	PLANNED	ACTUAL
	96(B)		420
	97	1,920	2,740
	98	2,920	6,358
	99	3,920	

**Strategic Objective #2 (SO #2):
Critical Needs Met for Targeted Vulnerable Groups**

Summary:

This SO captures USAID's key humanitarian interventions in Somalia. Its objective is to meet the critical needs of vulnerable people. The ongoing complex emergency means that food, health, water and emergency problems remain chronic. The emergency which began in 1998, was caused by a combination of drought, continuing insecurity, increasing numbers of internally displaced people, and deteriorating water and health conditions.

During the first part of 1998, international agencies worked together to address critical health, water and sanitation problems – many of which were caused by the El Nino floods. A subsequent drought in mid/late 1998 affected the whole country, with the central and southern parts of Somalia being particularly affected. Rain-fed crops failed in many areas and pastures did not regenerate sufficiently, resulting in a substantial increase in malnutrition rates and a large movement of internally displaced people.

By October 1998, the international community, including USAID, had begun responding to the drought related food crisis in southern and central Somalia. Primary beneficiaries include roughly one million of the four million inhabitants of central and southern Somalia. The most vulnerable include 30,000 internally displaced persons (IDPs) at risk due to hunger and insecurity. Approximately a third of them are at very high risk and are subject to severe food shortages, malnutrition, and outbreaks of communicable diseases.

Key Results:

Principal results necessary to achieve this SO are: improved food delivery systems for emergency food commodities with minimal losses; critical needs met for vulnerable groups; improved identification and targeting of vulnerable groups; and improved capacity of local networks to meet critical social services.

Performance and Prospects:

Overall performance in achieving SO #2 was very good this year. Most SO and Intermediate Results (IR) indicators met or exceeded performance expectations. The few indicators that achieved lower than expected results are explained by the unanticipated flooding, drought and security problems in Somalia.

The SO level indicators are: a) the percent of target children under 12 months old that have been fully vaccinated; and b) the number of vulnerable people who received food aid within an agreed upon time.

The year started with the flood emergency and ended with the drought. The food crises, combined with cholera and measles outbreaks, left only four to five months in the middle

of the year when regular program planning and implementation was possible. During that time, USAID supported Somalia's first National Immunization Days (NIDs) in Central and Southern Somalia. Despite the fact that flooding resulted in some impassable roads, making routine immunization activities in the field difficult, the SO indicator target was exceeded. The results continue to be very good: 58% of children (compared to the planned 40%) under 12 months old were fully vaccinated in targeted catchment areas (Table 5), and 58% of children under five received vitamin A treatment. This year, an impressive 100% of targeted pregnant women visited or were visited by a health professional during their pregnancy, compared to the targeted 68%.

During the flood emergency and again during the first weeks of the food crises, notably among the IDPs and most vulnerable villages, emphasis was put on ensuring that children had access to nutritious food regardless of their current nutritional status. UNICEF's new approach in supplementary feeding aims to prevent children in acute crises from losing weight and becoming more vulnerable to communicable diseases. A total of 320,113 vulnerable people received timely delivery of food aid (Table 6).

An inter-agency response was coordinated by the Somalia Aid Coordinating Body (SACB) in an attempt to pre-empt a full-blown famine. USAID's responses were made in consultative cooperation with the SACB and its sectoral coordination groups. The SACB is a unique donor/NGO/IO institution which takes the lead in mobilizing resources and developing strategy across sectors. USAID has played a key role in developing and strengthening the SACB, and this role has allowed the USG to leverage resources from various sources in a highly effective way.

Intermediate Result 2.1: Improved Delivery Systems For Emergency Food

Commodities. This IR is critical to accomplishing the objective of critical needs met for targeted vulnerable groups. The indicator for this IR is "percent of transportation food losses." In the past, transportation food losses in Somalia have been extremely high, primarily due to theft and hijacking of food convoys.

Since reallocating food resources and their delivery from WFP to CARE, food losses have decreased dramatically -- from 27% in 1996 to 3.4% in 1997 to 0.7% in 1998 (Table 7). CARE's delivery system is based on a system that gives the community ownership of the food, through its own indigenous NGOs. Thefts and banditry on CARE/community food is much less than that of other food aid providers, as the community is less tempted to steal from itself. In addition, CARE's cost of delivery is less than half of what WFP's costs are per metric ton.

Intermediate Result 2.2: Improved Identification Of Vulnerable Groups. The objective of IR 2.2 is to improve crisis mitigation through early identification and response to critically vulnerable groups. Although the IR 2.2 indicators were established recently, reflecting new initiatives in the identification of vulnerable groups, the results for 1998, exceeded expectations. The indicators include the percent of major food economy zones mapped according to vulnerability and the number of implementing partner local staff members that have been trained in vulnerability assessments.

An important component of improving the identification of vulnerable groups has been the food economy studies conducted by the Food Security Assessment Unit (FSAU). These studies comprise an in-depth field assessment and review of the food economy conditions in the region. A total of five food economy studies have been completed by the FSAU since last year, and another six studies were initiated in 1998, and are ongoing. During this past year, the FSAU and UNDOs completed the mapping of the major food economy zones according to vulnerability.

CARE, ADRA, IMC and World Vision have made a major effort to train local staff in vulnerability assessments during this year. The target was 55 staff trained. The reality is a total of 104 implementing partner local staff trained. This facilitated the identification of target vulnerable groups and as a result, interventions targeted the most vulnerable populations. For example, CARE and World Vision staff used the new training in targeting most vulnerable populations for their food for work and emergency food programs in Southern Somalia.

Intermediate Result 2.3: Improved Capacity To Meet Critical Social Services To Targeted Vulnerable Groups. This IR captures the critical health and sanitation activities that are being implemented by partner agencies such as: essential drug kit deliveries, rehabilitation and chlorinating of wells, and certification of health workers.

The IR indicator is “percent of target health centers receiving at least 90% of the requested essential drug kits on time.” While the planned target of 96% was not achieved, 93% of target health centers received at least 90% of the requested essential drug kits (Table 8), up from 71% in 1998.

In addition, 675 health workers were certified, helping improve the communities’ ability to meet their health needs. USAID also funded the construction and rehabilitation of 51 potable water sources, resulting in 256,700 vulnerable people now having access to potable water in targeted areas as a result of USAID interventions.

Possible Adjustment to Plans:

While OFDA funding has been reduced in 1999, results toward this SO are still likely to be achieved. It is anticipated that activities under SO #2 will remain critical in addressing basic humanitarian needs in Somalia. Although results under this objective could increase, some activities will largely be dependent upon increased funding from BHR/OFDA if there is a reduction in DA funding.

Other Donor Programs:

Although USAID continues to be a major donor in meeting the critical needs of vulnerable people in Somalia, other active donors include UNICEF, WHO, EU and British DFID.

Major Contractors and Grantees:

Primary partners implementing SO #2 include UNICEF, Famine Early Warning System (FEWS), IMC, World Vision, ADRA, CISP, ACF France and CARE.

TABLE 5 Strategic Objective #2 (SO #2)
Indicator a) Critical Needs Met for Target Vulnerable Group

OBJECTIVE: SO #2: Critical Needs Met for Targeted Vulnerable Groups APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME: Critical Needs Met for Targeted Vulnerable Groups			
INDICATOR: a) Percent of Children Under 12 Months Old That Have Been Fully Vaccinated			
UNIT OF MEASURE: <hr/> Number of children under 12 months fully vaccinated [Total targeted catchment area x 4%] <hr/> SOURCE: UNICEF, SCS, CISP, IMC, World Vision, Mercy International <hr/> INDICATOR DESCRIPTION: Fully vaccinated means that a child has been vaccinated for all of the following: a. Tuberculosis (BCG) b. Measles c. Polio (O) d. Diphtheria Pertussis tetanus (DPT) <hr/> COMMENTS: A higher level of immunizations was achieved this year due to the national immunization days (NIDs) that UNICEF coordinated throughout Somalia in 1998.	YEAR	PLANNED	ACTUAL
	96(B)		30
	97	45	41.5
	98	55	58
	99	65	

**TABLE 6: Strategic Objective #2 (SO #2)
Indicator b)**

STRATEGIC OBJECTIVE 2: Critical Needs Met for Targeted Vulnerable Groups APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME: Critical Needs Met for Targeted Vulnerable Groups			
INDICATOR 5a: Number of Vulnerable Persons That Teceived Food Aid Within an Agreed Upon time			
UNIT OF MEASURE: Number <hr/> SOURCE: Distribution Plan and CARE & UNICEF distribution records and monitoring reports <hr/> INDICATOR DESCRIPTION: Food Aid includes food for work, supplemental feedings and free food distributions. <hr/> COMMENTS: Note that the number of people receiving food aid would be higher if the figures included the World Vision food for work projects funded by OFDA. The food for the project was scheduled to be distributed during 1998, however WFP's food shipment to World Vision was late in arriving and therefore, was only distributed in 1999.	YEAR	PLANNED	ACTUAL
	96(B)		328,513
	97	300,000	802,759
	98	300,000	312,990
	99	300,000	

TABLE 7: Strategic Objective # 2
Intermediate Result 2.1

OBJECTIVE 2: Critical Needs Met for Targeted Vulnerable Groups APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME: Intermediate Result 2.1: Improved Delivery Systems for Emergency Food Commodities			
INDICATOR 1: Percent of transportation food losses			
UNIT OF MEASURE: Percent as measured by: Total amount of food arriving at the port cities in Kenya and Tanzania Total amount of food received by the ultimate beneficiaries. <hr/> SOURCE: CARE records <hr/> INDICATOR DESCRIPTION: The transportation losses are measured from the time the food arrives at the ports in Kenya or Tanzania until they are delivered to the ultimate beneficiaries in Somalia. This includes shipment, storage, transit, and distribution losses. This is an annual figure. <hr/> COMMENTS: There were minimal food losses (less than 1%) in the CARE food distributions during 1998.	YEAR	PLANNED	ACTUAL
	96(B)		27.06% *
	97		3.4%
	98		0.7%
	99		

* The 1996 losses were mainly due to a fire at the WFP warehouse in Mogadishu, a large WFP port loss, and theft in Mogadishu.

TABLE 8: Strategic Objective # 2
Intermediate Result 2.3

OBJECTIVE: SO #2: Critical Needs Met for Targeted Vulnerable Groups APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME Intermediate Result 2.3: Improved Capacity to Meet Critical Social Services to Targeted Vulnerable Groups			
INDICATOR 1: Percent of Target Health Centers That Received at Least 90% of The Requested Essential Drug Kits on time.			
UNIT OF MEASURE: Percent as measured by: Number of essential kits delivered to the health centers Number of kits actually requested by the health centers <hr/> SOURCE: UNICEF, CISP, IMC, World Vision, Mercy International, SCS, CARE <hr/> INDICATOR DESCRIPTION: Health centers include MCH centers, OPDs, HPs and TBAs. Requested is the amount actually requested from the partner NGOs, not the amount originally estimated during the planning period. On time means the kits were delivered within X days of the agreed upon delivery date. This is an annual figure. <hr/> COMMENTS: It should be noted that the high target was very nearly met, and is a huge jump from 1997's results due to increased ability to meet critical needs in a timely manner.	YEAR	PLANNED	ACTUAL
	96(B)		86.5
	97	92.5	71
	98	96	93
	99	97	

**Special Objective #1 (SPO #1):
Increased Community Capacity To Meet Its Own Needs**

Summary:

The purpose of the Special Objective, (SPO) is to strengthen local Somali capacity to manage donor assistance and establish decentralized planning and program analysis capabilities. Two major channels to achieve these results have been undertaken: 1) Assisting established local administrative structures to acquire essential technical and functional knowledge to better govern their communities. (This includes assistance to put bookkeeping systems in place, collect taxes, and distribute revenues equitably within the communities); and 2) Empowering civil society by increasing the financial, administrative, and programming capacity of indigenous NGOs.

Currently, each area of Somalia is developing its own rules and regulations, including laws and legal codes. For example, the self-declared “independent” Somaliland maintains a civilian legal system, enforcing the pre-war Somalia Civil Code. Somaliland has pioneered inter-clan reconciliation with relative success. Nevertheless, the Hargeisa Administration is concerned that the peace and security prevailing in the region is threatened by a shortfall in revenue due to the Saudi ban on imports of livestock because of the suspected presence of Rift Valley Fever.

Probably the most significant event of 1998 was the formation of Puntland state (Bari, Nugal and Mudug regions) in the Northeast, under the leadership of the Somalia Salvation Democratic Front (SSDF). Like Somaliland, Puntland has relatively high community support, but unlike its “independent” neighbor, Puntland considers itself within the context of the state of Somalia, however with significant (and presently de facto “total”) autonomy in the political, economic and social spheres.

The SPO’s ultimate beneficiaries, direct or indirect, are the Somalis in the target regions. Somalia in general will also benefit from technical analysis and studies carried out under this SPO, which are relevant to the formation of a sustainable national development policy and establishment of peace and security in these areas.

Key Results:

Principal results necessary to achieve this SPO are: more operational local administrative structures; increased ability of local NGOs to provide community services; increased availability of decision-making information; and a strengthened private enterprise sector.

Performance and Prospects:

Our performance toward the Special Objective over the last year has been on track. USAID assistance to local administrative structures in Somalia, through UNDP/UN Development Office for Somalia (UNDOS), has increased their capacity to improve the services they provide to their respective communities. Results have been fairly

rudimentary to date, befitting a pilot Special Objective, but show promise that we are on the right path. SPO indicator data shows that 45% of revenues collected in target Local Administrative Structures (LASs) were expended on basic services, up from 38% in 1997 (Table 9). Assistance to civil society through the CARE Umbrella Grant has consistently delivered solid results throughout the country, both in work done on the ground (provision of credit, agricultural extension, etc.) as well as building the capacity of local NGOs.

One of the main success stories in 1998 was the formation of Puntland in the Northeast. USAID, through technical support provided by ADRA, helped the three governments develop and form a tri-regional Roads Administration, which was the precursor to the larger supra-regional body. While not claiming total credit for Puntland, USAID did play a role in bringing the regions together in a spirit of formalized cooperation. However, it must be acknowledged that a general difficulty faced in working with many other nascent structures, especially in southern Somalia, has been that their overall credibility is often weak to begin with, as their support is often not based on ability, but on clan affiliation. The progress to date has not been the same throughout the country.

Intermediate Result 1.1: Local Administrative Structures Operationalized. Regional and district councils, or any other local administration that is assisted, will be trained and will have acquired the minimum institutional capacity necessary to provide a secure socio-economic environment. With the establishment of Puntland, and continued work by UNDOS, more Local Administrative Structures are developing annual work plans (4 regional bodies in 1998 compared to 1 in 1997) and putting systems for collecting taxes in place (4 in 1998 compared to 2 in 1997).

Intermediate Result 1.2: Increased Ability Of NGOs To Provide Community Services. The importance of the NGO sector in rebuilding Somalia from the ground up cannot be understated. A strong and competent cadre of NGOs in Somalia is absolutely essential to Somalia's future. CARE has worked hard to establish this corps of NGOs, which have progressively increased their capacity, both to manage themselves administratively and financially, as well as to implement needed projects in the field. The capacity ratings of over 20 local NGOs have increased dramatically -- over 85% are now certified as competent compared to 66% in 1997 (Table 10), and CARE expects the remaining ones to reach this level by the end of 1999.

The capacity building for the southern NGOs allowed them to combat the serious flood situation in late 1997/early 1998, often more effectively than international organizations who were not physically operational on the ground. It should also be noted that due to the demonstrated competence and ability of these local NGOs, a number of them are now working with CARE's Rural Food Security Project to achieve the results shown in SO #1.

Intermediate Result 1.3: Increased Availability Of Information Necessary For Informed Decision-Making. In the Somalia context, it is abundantly clear that community consensus is essential for local government units to operate successfully. In

order for the community to be more supportive, information must be made available to individual citizens. The initial thought was that the LASs could become more transparent by publishing their decisions, so that individual community members could have a greater understanding of the process and underlying rationale for the decisions made. However, since the adult literacy rate in Somalia is barely 15%, the team is looking for alternative ways to capture the effectiveness of the LASs. Community involvement becomes increasingly important as LASs begin to collect revenues from its citizens and provide services to the community at large. Consensus can also be built by sharing information about the success of other LAS in the country.

Intermediate Result 1.4: Private Enterprise/Entrepreneurs Strengthened. By providing micro-credit loans to farmers and small businesspeople, USAID expects community investment to increase, and private enterprise will be strengthened. CARE disbursed over 50% more total loans than the previous year (3,715 in 1998 compared to 2,320 in 1997) (Table 11), including maintaining high repayment rates -- 97% in the agricultural sector, and a respectable 70% in other sectors (Table 12). This was no mean feat, considering that the first part of 1998 was a life-and-death struggle for many people in the face of the El Nino floods.

Possible Adjustment to Plans:

This objective is totally dependent on adequate DA funding (unlike the other two objectives, to which BHR/FFP and OFDA funds also contribute). The current decrease and proposed zeroing out of funding in FY 2000 will either result in elimination of the SPO or where possible, it could be merged with other SO activities.

Other Donor Programs:

UNDP and the EU are the main donors in conflict mitigation/capacity building activities, especially in the northern part of the country. All activities are coordinated under the umbrella of the Somalia Aid Coordination Body (SACB), in particular its Local Administrative Structures sectoral committee.

Major Contractors and Grantees:

CARE (under the Somalia Partnership Program cooperative agreement, sometimes referred to as the CARE Umbrella Grant) is the lead organization working with local NGOs in Somalia, both to increase their financial and administrative capacity, as well as their ability to implement projects effectively. UNDOS and ADRA also work with local administrations to this end.

**TABLE 9: Special Objective #1 (SPO #1)
Indicator 3**

OBJECTIVE SPO #1 : Increased Community Capacity to Meet its Own Needs. APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia.			
RESULT NAME: Intermediate Result 1.2: Increased community capacity to meet its own needs.			
INDICATOR: 3: Percent of revenues collected in target local Administrative Structures (LASs) that are expended on basic services.			
UNIT OF MEASURE: % as measured by: Sum of the % increase in revenues spent on basic services. Number of LAS with Bookkeeping systems in place. <hr/> SOURCE: UNDOS, Expert Assessment; LAS records <hr/> INDICATOR DESCRIPTION: Basic services include: security, education, health, sanitation and water. Target Local Administrative Structures, for this indicator only, include those Regional Administrative Structures with a bookkeeping system in place (as identified in the previous indicator) This is an annual figure. COMMENTS: For all of the indicators measuring Local Administrative Structures (LASs), USAID is referring to the following seven Regional Administrative Structures: Hiran, Middle Shabelle, Somaliland, Puntland, and Galgaduud.	YEAR	PLANNED	ACTUAL
	96(B)		N/A %
	97	45%	38%
	98	50%	45%
	99	55%	

TABLE 10: Special Objective #1 (SPO #1)
Intermediate Result 1.2

OBJECTIVE 1: Increased Community Capacity to Meet its Own Needs.			
APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME: Intermediate Result 1.2: Increased Ability of NGOs to Provide Community Services.			
INDICATOR 2: Percent of NGOs, completing capacity training rated as competent			
UNIT OF MEASURE: Percent as measured by: <hr/> Number of NGOs with a overall CARE capacity rating greater or equal to 3.5 Number of NGOs completing training <hr/> SOURCE: CARE capacity survey <hr/> INDICATOR DESCRIPTION: The Care Index measures NGO capacity in four areas: Government, Finance, Management & Technical. An NGO would have to receive an overall average rating of 3.5, on a scale of 1 to 5 in order to receive a rating of competent. This is a cumulative figure over time. <hr/> COMMENTS: CARE expects to attain 100% competency of its local NGOs by the end of 1999.	YEAR	PLANNED	ACTUAL
	96 (B)		TBD*
	97	70%	66%
	98	85%	85.6%
	99	85%	

TABLE 11: Special Objective #1 (SPO #1)
Intermediate Result 1.4

OBJECTIVE SPO #1: Increased Community Capacity to Meet its Own Needs. APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME Intermediate Result 1.4: Private Enterprise/Entrepreneurs Strengthened			
INDICATOR 1: Loans granted under the CARE Umbrella Grant*			
UNIT OF MEASURE: Total Number SOURCE: CARE INDICATOR DESCRIPTION: The number of loans made during USAID's fiscal year. This is an annual figure. COMMENTS: Due to the devastating El Nino floods, many more loans were disbursed than planned.	YEAR	PLANNED	ACTUAL
	96(B)	850	850
	97	1,500	2,320
	98	1100	3,715
	99	1100	
*To the extent that agriculture loans are included in this indicator they are also reflected in SO1.			

TABLE 12: Special Objective #1 (SPO #1)
Intermediate Result 1.4

OBJECTIVE SPO #1: Increased Community Capacity to Meet its Own Needs. APPROVED: 10/15/1996 COUNTRY/ORGANIZATION: USAID/Somalia			
RESULT NAME Intermediate Result 1.4: Private Enterprise/Entrepreneurs Strengthened			
INDICATOR 2: Loan Repayment Rate*			
UNIT OF MEASURE: % as measured by: Number of loans classified as being repaid as a proportion of total Number of loans NB: This indicator represents the fiscal year and is not cumulative. In addition to the rate, a narrative will also be provided addressing loans written off during the period. SOURCE: CARE, Umbrella Grant records INDICATOR DESCRIPTION: Repayment includes loans being repaid that are no more than 6 months in arrears and loans fully repaid during the USAID fiscal year. For the purpose of clarity (see NB above) this indicator will be desegregated in two categories: Agriculture and Other Loans Repayment Rates This is an annual figure. COMMENTS: Despite the El Nino floods, and the subsequent disbursement of more loans than planned, the repayment rate was phenomenal in the agricultural sector, and nonetheless quite respectable in other sectors. *To the extent that agriculture loans are included in this indicator they are also reflected in SO1.	YEAR	PLANNED	ACTUAL
	96(B)	80%	99% Agriculture
	96(B)	83%	84% Other Loans
	97	80% Agriculture	93%
	97	80% Other Loans	70%
	98	80% Agriculture	97%
	98	80% Other Loans	70%
	99	80% Agriculture	
	99	80% Other Loans	